

JIM IRVIN
COMMISSIONER - CHAIRMAN
RENZ D. JENNINGS
COMMISSIONER
CARL J. KUNASEK
COMMISSIONER



JACK ROSE
EXECUTIVE SECRETARY

ARIZONA CORPORATION COMMISSION

DATE: November 19, 1998
DOCKET NO.: WS-02380A-98-0485
TO ALL PARTIES:

Enclosed please find the recommendation of Hearing Officer Jane Rodda. The recommendation has been filed in the form of an Order on:

APACHE PEAKS UTILITIES CO.
(CC&N CANCELLATION/TRANSFER ASSETS)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Hearing Officer by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

NOVEMBER 30, 1998

The enclosed is NOT an order of the Commission, but a recommendation of the Hearing Officer to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

DECEMBER 10, 1998 AND DECEMBER 11, 1998

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250.


JACK ROSE
EXECUTIVE SECRETARY

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 JIM IRVIN
COMMISSIONER - CHAIRMAN
3 RENZ D. JENNINGS
COMMISSIONER
4 CARL J. KUNASEK
COMMISSIONER
5

6 IN THE MATTER OF THE APPLICATION OF
7 APACHE PEAKS UTILITIES CO., INC. FOR
8 APPROVAL OF THE SALE OF ASSETS AND
9 CANCELLATION OF ITS WATER AND SEWER
CERTIFICATES OF CONVENIENCE AND
NECESSITY.

DOCKET NO. WS-02380A-98-0485

DECISION NO. _____

ORDER

10 Open Meeting
11 December 10 and 11, 1998
12 Phoenix, Arizona

BY THE COMMISSION:

13 Having considered the entire record herein and being fully advised in the premises, the
14 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

15 **FINDINGS OF FACT**

16 1. On August 27, 1998, Apache Peaks Utilities Co., Inc. ("Applicant") filed an
17 application for approval of the sale of its water utility assets and to cancel its water Certificate of
18 Convenience and Necessity ("Certificate").

19 2. On October 5, 1998, Applicant amended its application to include the cancellation
20 of its sewer Certificate.

21 3. Pursuant to Decision No. 51848 (February 19, 1981), the Commission issued
22 Applicant a Certificate to provide water utility service to an area located near the City of Globe,
23 ("City") Arizona.

24 4. Applicant is a non-profit Arizona corporation that currently provides service to
25 approximately 13 water customers. Applicant has never provided sewer service. Residences in the
26 area are served by private septic systems.
27
28

1 5. Applicant seeks the Commission's approval to sell its water utility assets to the City
2 and to cancel both its water and sewer Certificates.

3 6. On or about July 20, 1998, Applicant and the City entered into a Transfer Agreement.

4 7. Applicant affirms that there are no outstanding customer security deposits or refunds
5 due on line extension agreements.

6 8. On October 23, 1998, the Commission's Utility Division Staff ("Staff") filed a Staff
7 Report in this matter, recommending approval of the application without a hearing.

8 9. Staff further recommended that the Commission condition approval on Applicant
9 filing an affidavit verifying that the sale has been consummated.

10 **CONCLUSIONS OF LAW**

11 1. Applicant is public service corporation within the meaning of Article XV of the
12 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

13 2. The Commission has jurisdiction over Applicant and the subject matter of the
14 application.

15 3. There is a continuing need for public water utility service in Applicant's certificated
16 area.

17 4. The City is a fit and proper entity which is ready, willing and able to assume the
18 responsibility of providing water utility service within Applicant's presently certificated area.

19 5. The commission concludes that the sale of Applicant's water utility assets to the City
20 and the cancellation of its water and sewer Certificates is in the public interest.

21 **ORDER**

22 IT IS THEREFORE ORDERED that the application of Apache Peaks Utilities Co., Inc. for
23 approval of the sale of its water utility assets and cancellation of its water and sewer Certificates of
24 Convenience and Necessity, be and hereby is granted.

25 ...

26 ...

27 ...

1 IT IS FURTHER ORDERED that Apache Peaks Utility Co., Inc. shall file with the
2 Commission within ten days of closing, an affidavit verifying the sale has been closed.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
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7 COMMISSIONER-CHAIRMAN

COMMISSIONER

COMMISSIONER

8
9 IN WITNESS WHEREOF, I, JACK ROSE, Executive
10 Secretary of the Arizona Corporation Commission, have
11 hereunto set my hand and caused the official seal of the
12 Commission to be affixed at the Capitol, in the City of
13 Phoenix, this ____ day of ____, 1998.

14 _____
15 JACK ROSE
16 EXECUTIVE SECRETARY

17 DISSENT _____

18 JR:dap
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1 SERVICE LIST FOR APACHE PEAKS UTILITIES CO., INC.

2 DOCKET NOS. WS-02380A-98-0485

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